

**Non Profit Agricultural Organizations:**

Plains Cotton Growers Inc.  
Western Peanut Growers Assn.  
Corn Producers Association of Texas  
Texas Grain Sorghum Producers Assn.  
Panhandle Peanut Growers Assoc.  
Texas Agricultural Coop Council  
South Texas Cotton and Grain Association  
Texas Cotton Ginners Association  
Texas Wheat Producers Association  
Rolling Plains Cotton Growers Assn.  
Texas Cotton Producers, Inc.  
Texas Cattle Feeders Association  
Texas Rice Producers  
Southwestern Peanut Shellers Assn.

**Financial Institutions:**

AgTexas Farm Credit Services  
City Bank  
First Ag Credit Farm Credit Services  
Plains Capital Bank  
State National Bank  
American State Bank  
American Bank of Commerce  
Lamesa National Bank  
Peoples Bank  
Security Bank  
Great Plains Ag Credit  
Panhandle-Plains Land Bank, FLCA  
Agriland, Farm Credit Services  
Heritage Land Bank  
Texas AgFinance FCS  
Ag Credit of South Texas  
First United Bank  
Capital Farm Credit  
Citizens State Bank-Anton  
First State Bank-Shallowater  
First National Bank of Beeville  
Commercial State Bank  
Happy State Bank

**Agribusinesses:**

B.E. Implement Co. (Brownfield)  
B.E. Implement Co. (Levelland)  
Hurst Farm Supply  
South Plains Implement  
Ray Lee Equipment Co.  
John Roley Autocenter  
Plains Cotton Cooperative Assoc.  
Paramount Broadcasting Corporation  
Hansford Implement Company  
Quality Implement Co.  
Becknell Wholesale Company  
Lubbock Chamber of Commerce  
Farmers Co-op Compress  
Coulfal-Prater Equipment, LTD  
Southern Crop Insurance  
Heritage Equipment Company, Inc.  
Haechten Crop Insurance  
Bailey County Electric Coop  
Barnert Seed Company  
Five Area Telephone Cooperative  
Acuff Farm Supply, Inc.  
Grass Seed Services  
Adobe Direct Insurance Services, Inc.  
Rekerdres & Sons Insurance Agency, Inc.  
Ag Workers Mutual Auto Insurance  
Tejas Peanut Company  
J & V Peanut Company  
Southwest Agribusiness Consulting, Inc.  
Rice Belt Warehouse, Inc.  
Rio Farms, Inc.  
Farmer's Co-op of El Campo  
Nolen Ag Services  
Gulf Compress  
Patton Custom Fertilizer  
Sunray Coop  
Parmer County Implement Co., Inc.  
Evans Fertilizer  
Western Equipment L.L.C.  
Ag 50 of Eastern New Mexico  
McKinzie Insurance Agency  
Porter Henderson Implement Co.  
Benny Boyd Chevrolet, LTD  
Diamond B Enterprises  
Sam Stevens, Inc.  
Crop Plus Insurance Agency



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May 12, 2008

Dear Member of Congress:

The Southwest Council of Agribusiness was formed in the fall of 2006 for the sole purpose of supporting good farm policy. We are an alliance of banks, farm credit institutions, farm input suppliers, implement dealers and other Main Street businesses that have joined with producer organizations from across the state and region because we understand the importance of strong agricultural policy.

On Wednesday, May 14<sup>th</sup>, we expect the culmination of much work and the focus of our efforts, the Conference Report of the 2008 Farm Bill, will be before you. **We strongly urge your support of this incredibly important piece of legislation.** In addition, if our Texas President should persist in listening to his advisors over the wiser counsel of his fellow Texas Republicans serving on the Agriculture Committee, Congressman Randy Neugebauer and Congressman Michael Conaway, and does in fact veto the bill, then **we would strongly urge you to vote to override.**

The 2008 Farm Bill builds upon the successes of the 2002 Farm Bill (a bill authored by former Texas Congressmen Larry Combest and Charlie Stenholm which came in more than \$20 Billion under budget while buttressing record growth and investment in the U.S. agricultural economy). It is a fiscally disciplined safety net that will give our farmers some security at a time when the world needs them perhaps more than any other time in recent history. This is a good bill, and a needed one at this time. It is a relatively small bill (accounting for less than 2 percent of the Federal Budget; with almost 3/4 of that being the Nutrition Title alone), but is an incredibly important investment in a most fundamental area of our economy, and an area of public policy (providing food and fiber) that is foundational to a safe and secure world.

We know that the Bill is controversial, and that many groups (especially libertarian groups and radical left-wing environmentalists) and big city newspapers have spent incredible amounts of money and ink criticizing America's farmers in hopes that they might take the Farm Bill down to no good end. But as you prepare to cast your vote, we would urge you to consider the following critical points:

**A RECORD OF FISCAL RESPONSIBILITY:** Leading into the 2002 Farm Bill, Congress had spent more than \$20 Billion in ad hoc assistance to stabilize an agricultural economy that had tanked with low commodity prices (the '96 Act had been written in a time of optimism and high commodity prices (like now) and the safety net for farmers had been substantially removed). Between '99 and '01, Farm Program spending with the emergency supplements averaged more than \$22 Billion per year. Under the 2002 Farm Bill, which maintained the market-oriented approach of the '96 Act while restoring the security of a safety net, farm program spending fell to less than \$14 Billion per year (a 40% reduction – saving \$25 Billion relative to CBO expectations). Under the proposed 2008 Farm Bill, all the farm program spending is expected to average right at \$7 Billion per year; that is 1/2 the amount under the 2002 Farm Bill, and less than 1/3 of the spending prior to the 2002 Bill. Clearly this Bill represents a fiscally disciplined and manageable approach to maintaining a strong farm economy.

**A RECORD OF ECONOMIC SUCCESS:** Leading into 2002, not only had government assistance increased dramatically in an effort to stabilize the agricultural economy, but spending and investment in those areas was drying up. The case was made that by restoring the safety net for farmers, not only could you bring government spending under control, but you could restore confidence in rural America and allow farmers and their lenders and their suppliers to invest and build for the future. The result has been staggering growth in output and productivity that have produced net farm income averaging \$80.6 Billion over the last 5 years ('04-'08), which is a more than 30% increase over the 10 year average ('98-'07) of \$61.1 Billion. With hungry economies in India and China placing greater demands on the World's resources, prices for staple commodities are likely to remain high. But input costs are also rising, keeping pace with high commodity prices, thus keeping the pressure on the independent and entrepreneurial family farms of America to continue to increase their productivity. To do so, they need to invest and they need the security provided by a farm safety-net. To take this away now would be repeating the mistake made in 1996.

**THE BEST HOPE FOR A HUNGRY WORLD:** In recent weeks, much has been written about the "Global Food Crisis." There can be no question that a world well fed is a world more peaceful and secure. But the U.S. farmer is rarely thanked for his contribution in this area – in fact, less than a year ago, Oxfam and other so-called "public interest" groups were still deriding the U.S. farmer for their productivity, saying that they were keeping world commodity prices low and thereby hurting farmers in developing countries. Arguments and ridiculous campaigns come and go, but the fact remains that there is no greater hope for feeding a hungry world than the U.S. farmer. They are the most productive; they are the most efficient (maximizing output with minimal input); they incubate and pay for the technology that is needed to feed a growing world; they do all this in an environmentally sustainable way. Our businesses rely on the U.S. farmer, and we believe the U.S. owes a great debt to them. But this hungry world needs the U.S. farmer.

Thank you in advance for considering our perspective on this important subject. Again, we urge you to **support the 2008 Farm Bill Conference Report** when it comes up for a vote on Wednesday. If we can provide any additional information or input, please do not hesitate to ask.

Sincerely,



Mark Williams,  
President